

CIGNA HEALTHCARE OF TENNESSEE, INC. .

Initially received a certificate of authority on 12/31/84 as HCA Care, Inc.

On 4/15/86, the name was changed to HCA Care of TN, Inc. On 11/12/86, the name was changed to

Equicor Health Plan, Inc. On until 7/1/91, the name was changed to CIGNA Healthplan of TN, Inc.

On 8/16/93, the name was changed to CIGNA HealthCare of Tennessee, Inc.

On October 29, 1998 Healthsource of Tennessee, Inc. (lic. 2/4/86 as Tennessee First, Inc.) merged into CIGNA

LOCAL ADDRESS:

1000 Corporate Ctr. Suite 500 - Franklin, TN 37067 - (615) 595-3559

CORPORATE ADDRESS:

1000 Corporate Ctr. Suite 500 - Franklin, TN 37067 - (615) 595-3559

WEBSITE ADDRESS:

www.cigna.com

Service Area by County

West Tennessee Area: Fayette, Shelby and Tipton
Middle Tennessee Area: Cannon, Cheatham, Coffee, Davidson, DeKalb, Dickson, Franklin, Hickman, Macon, Marion, Maury, Montgomery, Overton, Robertson, Rutherford, Sequatchie, Smith, Sumner, Trousdale, Warren, Williamson, and Wilson
East Tennessee Area: Anderson, Bledsoe, Blount, Bradley, Campbell, Carter, Clairborne, Cocke, Greene, Hamblen, Hamilton, Hancock, Hawkins, Jefferson, Johnson, Knox, Loudon, McMinn, Meigs, Monroe, Morgan, Polk, Rhea, Roane, Scott, Sevier, Sullivan, Unicoi, Union, and Washington

The Independent Review Organization for this HMO is Hays Plus and Medical Care Management Corporation.

	Number Requested	Resolved in favor of member	Resolved in favor of HMO
IRO APPEALS			
year ending 12/31/2002	0	0	0
year ending 12/31/2001	2	2	0
year ending 12/31/2000	2	1	1
year ending 12/31/1999	0	0	0

If you have a complaint about your CIGNA HMO, please call the number printed on your ID card.

HMO GRIEVANCE STATISTICS

NUMBER OF GRIEVANCES/INQUIRIES FOR 2002

of the grievances reported **46%** were resolved successfully
of the grievances reported **54%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	56499	34	34	17	17
2) claim payment/amount of payment	255148	18	18	6	12
3) contract terms and conditions	239945	63	63	39	24
4) other	110860	93	93	50	43
TOTAL	662452	208	208	112	96

NUMBER OF GRIEVANCES/INQUIRIES FOR 2001

of the grievances reported **52%** were resolved successfully

of the grievances reported **48%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	128	105	105	50	55
2) claim payment/amount of payment	2966	110	110	26	84
3) contract terms and conditions	784	93	93	85	8
4) other	2934	1643	1643	763	871
TOTAL	6812	1951	1951	924	1018

NUMBER OF GRIEVANCES/INQUIRIES FOR 2000

of the grievances reported **58%** were resolved successfully
of the grievances reported **42%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	1702	22	22	16	6
2) claim payment/amount of payment	18138	108	108	18	96
3) contract terms and conditions	2633	13	13	9	4
4) other	1078	719	714	319	394
TOTAL	23551	862	857	362	500

NUMBER OF GRIEVANCES/INQUIRIES FOR 1999

of the grievances reported **56%** were resolved successfully
of the grievances reported **44%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	573	21	21	0	21
2) claim payment/amount of payment	5,318	163	163	80	83
3) contract terms and conditions	4,594	505	505	371	134
4) other	2,279	652	652	139	514
TOTAL	12,764	1,341	1,341	590	752

NUMBER OF GRIEVANCES/INQUIRIES FOR 1998

of the grievances reported **41%** were resolved successfully
of the grievances reported **59%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	664	2	2	0	2
2) claim payment/amount of payment	771	188	188	158	30
3) contract terms and conditions	136	292	292	116	176
4) other	122	127	127	85	42
TOTAL	1,693	609	609	359	250

PLEASE NOTE: an adverse decision indicates the decision was against member, not that the HMO was incorrect
a successful resolution means the grievance was resolved to the members satisfaction

9 YEAR MEMBER ENROLLMENT STATISTICS

Year	Individual Members	Medicare members	Group members	Number groups	TOTAL members	Average Annual
ending 12/31/02	14	0	72817	347	72831	69138
ending 12/31/01	15	0	83,949	365	83,406	83,949
ending 12/31/00	16	2,827	101,667	334	101,683	106,596
ending 12/31/99	15	2,995	362,613	1,253	365,623	365,457
ending 12/31/98	164	2,358	315,957	1,518	318,479	319,472
ending 12/31/97	159	340	301,794	1,390	302,293	290,378
ending 12/31/96	100	0	251,404	1,253	251,504	234,583
ending 12/31/95	92	0	151,758	904	151,850	171,156
ending 12/31/94	38	0	143,323	655	143,361	117,736

CIGNA HEALTHCARE OF TN, INC.

FINANCIAL HIGHLIGHTS

For the Year Ending
December 31, 2002

CIGNA HEALTHCARE OF TN, INC.

ASSETS	44,672,994
LIABILITIES	29,317,454
TOTAL CAPITAL AND SURPLUS	15,355,540
NET INCOME	7,882,853
TOTAL MEDICAL AND HOSPITAL EXPENSES (current period)	136,931,231
PREMIUMS NON TN CARE	171,695,134
TOTAL ADMINISTRATIVE EXPENSES	21,603,903
UNCOVERED EXPENSES	16,688,225
RATIO OF MEDICAL EXPNESES TO PREMIUMS	79.75%
RATIO OF ADMINISTRATIVE EXPNESES TO PREMIUMS	12.58%